

261—7.28(81GA, HF868, HF809) Special requirements for job retention program projects.

7.28(1) Purpose. The purpose of the job retention program established by Iowa Code section 260F.9 is to provide training to employees of businesses that are major employers in the state and that are incurring a major investment in retooling at their facilities in order to be more competitive in the world marketplace.

7.28(2) Definitions. In addition to the definitions in rule 261—7.3(260F), the following definitions shall apply to the job retention program:

“*Act*” means Iowa Code section 260F.9, in which the job retention program is established.

“*Board*” or “*IDED board*” means the Iowa economic development board created by Iowa Code chapter 15 as amended by 2005 Iowa Acts, House File 868.

“*Grow Iowa values fund*” means the fund established by 2005 Iowa Acts, House File 868, section 1.

“*Participating business*” means a business for which a job retention project is being undertaken.

“*Workplace*” means the facility where new capital investment and employment are occurring and that meets the requirements of the job retention program.

7.28(3) Eligibility requirements.

a. To be eligible, a business shall meet one of the following requirements:

(1) Employ at least 1000 employees at the workplace location; or

(2) Represent at least 4 percent or more of the county’s resident labor force as based upon the most recent annual labor force statistics from the department of workforce development; and

b. To be eligible, a business shall meet both of the following requirements:

(1) Provide a commitment that the participating business shall invest at least \$15 million to retool the workplace and upgrade the facilities of the participating business; and

(2) Provide a commitment that the participating business shall not move the business operation out of this state or close the business operation for at least ten years following the date of the agreement.

7.28(4) Funding assistance. Assistance under this program may be provided under a multiyear agreement with training to be conducted over multiple fiscal years.

7.28(5) Application. The community college and business shall submit to the department an application in a form and manner as prescribed by the department.

7.28(6) Type of training allowed. Training costs as allowed in Iowa Code chapter 260F and 261—Chapter 7 are allowed under the job retention program.

7.28(7) Match requirements. Training projects funded through the job retention program of the grow Iowa values fund shall have a match provided by the business of at least 25 percent of the project’s training costs. Match may include a pro-rata cost of equipment used during the period of structured training on the equipment.

7.28(8) Application review. Applications will be reviewed utilizing the scoring criteria established under rule 261—7.21(260F). Additional considerations for job retention program applications include the size of the investment that necessitates the training needs, time period over which investment is to occur, and number of employees to be trained.

7.28(9) Agreement.

a. The agreement between the participating business, community college and department shall include, but not be limited to, the following:

(1) The date of the agreement;

(2) The anticipated number of employees to be trained;

(3) The estimated cost of training;

(4) A statement regarding the number of employees employed by the participating business on the date of the agreement, which must equal at least the lesser of 1000 employees or 4 percent or more of the county’s resident labor force based on the most recent annual labor force statistics from the department of workforce development;

(5) A commitment that the participating business shall invest at least \$15 million to retool the workplace and upgrade the facilities of the participating business;

(6) A commitment that the participating business shall not move the business operation out of this state or close the business operation for at least ten years following the date of the agreement;

- (7) Other conditions established by the Iowa department of economic development;
- (8) Time frame in which the investment in retooling is to occur at the affected workplace;
- (9) Time frame in which training is to occur;
- (10) Type of training to be undertaken.

b. A job retention project agreement entered into pursuant to this rule must be approved by the board of trustees of the applicable community college, the Iowa department of economic development, and the participating business.

c. Awards under the job retention program that exceed \$1 million shall require approval by the IDEB board.

7.28(10) *Reporting requirements.*

a. A community college that enters into an agreement pursuant to this chapter shall submit to the IDEB board an annual written report, in a manner and form prescribed by the department, by the end of each calendar year. The report shall provide information regarding how the agreement affects the achievement of the goals and performance measures provided in the Act. By January 15 of each year, the department shall submit a written report to the general assembly and the governor regarding the activities of the job retention program during the previous calendar year.

b. The annual progress report submitted by the community colleges shall include the information as provided in 261—Chapter 9.

7.28(11) *Events of default, options and procedures on default, remedies upon default.* Rules 261—7.30(260F) to 7.32(260F) shall apply to the job retention program. In addition, should the business cease operation or not maintain its presence at the workplace location for ten years following the date of the agreement, the award shall be repaid by the business, prorated over the number of years remaining in the required ten-year period.